

TO: Persons Interested in the HOME Program

FROM: Ethan Stapp, HOME Program Manager

SUBJECT: HOME Program Update

DATE: January 27, 2006

New Program Manager As many of you already know, Julie Flynn has resigned her position as HOME Program Manager. I have stepped in as the HOME Program Manager and look forward to continuing to work with all of you. We are currently advertising for a new Program Specialist to take my place. The position closes February 13 and we hope to have someone new on board by mid-March.

Future HOME Newsletters via Web and Email The Montana HOME Program is moving into the 21st century! Future newsletters will be sent to interested parties via email and provided on our website. If you are interested in receiving HOME newsletters in the future, and you do not believe the HOME Program has your current email address, please send an email to homeprogram@mt.gov and we will update our emailing list with your information. For those who do not have email, and would like to continue receiving HOME newsletters via mail, contact Linda Schofield at 841-2820.

Changes to the HOME Website The Montana Department of Commerce Housing Division is currently updating its website. Look for the coming changes at <http://housing.mt.gov/>. Among the changes, the HOME Program website will feature a HOME Happenings webpage with announcements, HOME newsletters (see above), information on current events and future workshops and meetings.

Inspection Requirements for Homebuyer Activities Based on recent interpretation by HUD of §92.251(a)(2) and §92.612 (b) of the HOME Rule, because third party inspectors such as consumer inspectors or FHA appraisers are not contractually obligated to perform inspections in compliance with HOME regulations, grantees may no longer rely on inspections by these entities to determine compliance with HOME property standards requirements. The minimum standard is still the Section 8 Housing Quality Standards (HQS) inspection. Each grantee must develop and implement procedures that ensure that it uses fully certified personnel to inspect all HOME-assisted homebuyer units for compliance with HQS. These inspections may be performed by certified in-house staff or contracted out with outside entities certified to perform HQS inspections. Because housing purchased with HOME assistance is subject to subpart K of the Lead Safe Housing regulations of 24 CFR Part 35, inspectors must also be certified at a minimum to perform visual assessments for defective paint in HOME assisted units. HOME staff will assess compliance with inspection requirements as part of the closeout monitoring process.

If you are interested in obtaining certification to conduct HQS inspections, please contact HOME Program staff. Lead paint visual assessment training may be completed online at the following website: <http://www.hud.gov/offices/lead/training/visualassessment/h00100.htm>

Lead-Based Paint Training There will be a FREE one-day lead-based paint (LBP) training session in Stanford, Montana, on March 29th. This training is geared to contractors who would do work to stabilize LBP hazards. The training will lead to HUD-certification for workers, which enables them to do rehabilitation work up to \$25,000. Because most of our homeowner rehabilitation programs have a maximum assistance level below \$25,000, HUD-certified workers are qualified to do most of the LBP stabilization work required. Therefore, I encourage you to get as many of the contractors in your area to this training as possible. One can register for the training at <http://www.leadsafetraining.org/> or by calling toll-free 1-866-689-9484.

New Performance Measurement System HUD and its nongovernmental partners are in the final stages of developing the new Performance Measurement System to demonstrate the results of the three CPD formula grant programs (HOME, CDBG, and ESG). We expect implementation of the system some time this Spring, and mandatory reporting of performance measurement data for activities completed beginning October 2006. Very soon, we will be developing reporting forms to meet the new performance measurement criteria. What this will mean for our grantees is a moderate increase in data collection and reporting requirements at project completion.

2006 HOME Allocation We have received notice of our HOME allocation for Federal Fiscal Year (FFY) 2006, which is shown below. The HOME allocation is 6% less than FFY 2005, while the American Dream Downpayment Initiative (ADDI) allocation is 50% less than last year.

2006 HOME funds:	\$3,906,778
2006 ADDI funds:	82,255
ADDI Allocation to Entitlement Cities:	(30,434)
Funds reclaimed from previously-funded projects:	<u>16,309</u>
Total Project Funds:	\$3,974,908
Single-Family Allocation:	<u>(1,987,454)</u>
Funds Available for Competitive Projects:	\$1,987,454

Of the ADDI funds, \$30,434 will go to the cities of Billings, Great Falls and Missoula, leaving \$51,821 for the rest of the state.

The Single-Family allocation will be \$1,987,454, dispersed among the 11 districts according to a formula that considers population and age of housing (see enclosed spreadsheet for 2006 District totals). Individual District allocations will appear on our website in the near future. To participate in the Single-Family Pilot Program, eligible entities must complete and submit a Qualification package, available on our website or by contacting the HOME Program. Open Homebuyer Assistance (HBA) and Homeowner Rehabilitation (HOR) grants must be spent down before 2006 Single-Family funds may be accessed.

The remaining funds will be awarded to successful HOME applications received by **March 3, 2006**. The 15% CHDO set-aside, or \$651,130 of the FFY 2006 HOME funds, will be met out of these remaining funds. To be eligible for FFY 2006 HOME funds, open 2004 and 2005 grants must be spent 75% or more, and 2003 and earlier grants must be closed out. See our web site for a copy of the HOME Application Guidelines and Uniform Application.